

**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

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Attorney for Kingtown Truckstop, LLC

In re:

Anthony C. Curto Jr. and Veronica Curto

Case No. : 20-14300 VFP

Chapter 11

Judge: Vincent F. Papalia, U.S.B.J.

Kingtown Truckstop, LLC,

Plaintiff

Adv. Proc. No.

Anthony C. Curto, Jr. and Veronica Curto,

**COMPLAINT OBJECTING TO
DISCHARGEABILITY OF DEBT**

Defendants

Plaintiff, Kingtown Truckstop, LLC, by its undersigned counsel, as for its complaint
objecting to dischargeability of debts owed to Kingtown Truckstop, LLC by Defendants

Anthony C. Curto, Jr. and Veronica Curto alleges as follows:

Parties

1. Plaintiff, Kingtown Truckstop, LLC, ("Plaintiff" or "Kingtown"), is a New Jersey limited liability company with a principal place of business at 1470 Rt. 46, Ledgewood, N.J. 07852, Morris County.

2. Defendants, Anthony C. Curto, Jr., ("Mr. Curto"), and Veronica Curto, ("Mrs.

Curto"), are individuals who are husband and wife with an address of 20 Oakdale Ave., Andover, N.J. 07821, Sussex County.

3. Defendants do business as an unincorporated business known as T.M.T. Trucking with an address of 68 N. Dell Ave., Kenvil, N.J. 07847, Morris County.

Jurisdiction and Venue

4. On March 12, 2020 ("Petition Date"), Defendants filed a voluntary petition for relief pursuant to Chapter 11, SubChapter V of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of New Jersey.

5. This court has jurisdiction over this matter pursuant to 28 U.S.C. Section 1334(b). This is a core proceeding pursuant to 28 U.S.C. Section 157(b)(2)(I) and (J). Venue is property in this district pursuant to 28 U.S.C. Section 1409.

Count One

Exception to Discharge Pursuant to 11 U.S.C. 523(a)(2)(A)

6. Plaintiff is a seller of motor fuel and in particular diesel and gasoline.

7. The Defendants doing business as T.M.T. Trucking bought quantities of motor fuel on credit from the Plaintiff for their business and personal usage.

8. As of December 31, 2018 the Defendants had accrued a balance due to the Plaintiff for their motor fuel purchases of \$79,746.22.

9. In the time period spanning from early January 2019 through July 2019 the Defendants through the use of false pretenses, false representations and actual fraud increased the amount of credit they received from the Plaintiff to approximately \$170,539.41 on July 25, 2019 through the use of two fraudulent devices.

10. One of the Defendants' fraudulent devices was to repeatedly issue checks on

insufficient funds to the Plaintiff which the Plaintiff deposited and credited against the Defendants' account only to find out later when the checks were returned for insufficient funds that Defendants had not actually paid down their account.

11. Following is a list of the returned checks issued to the Plaintiff:

Date	Check No. and signer	Bank	Amount
1/7/19	1055 TMT Trucking signed by Veronica Curto	TD Bank	\$2,500.00
3/9/19	1116 TMT Trucking signed by Veronica Curto	TD Bank	\$3,267.89
3/9/19	1117 TMT Trucking signed by Veronica Curto	TD Bank	\$3,267.89
3/18/19	1128 TMT Trucking signed by Veronica Curto	TD Bank	\$3,183.41
3/27/19	1143 TMT Trucking signed by Veronica Curto	TD Bank	\$4,634.73
4/1/19	1147 TMT Trucking signed by Veronica Curto	TD Bank	\$2,500.00
4/11/19	1063 Veronica Curto DBA T.M.T. signed by Veronica Curto - Chase		\$4,000.00
4/18/19	14718114 TMT Trucking signed by Veronica Curto	TD Bank	\$3,361.55
6/25/19	1055 Veronica Curto DBA T.M.T. signed by Veronica Curto - Chase		\$4,500.00
7/15/19	1068 Veronica Curto DBA T.M.T. signed by Veronica Curto - Chase		\$4,000.00
7/17/19	1069 Veronica Curto DBA T.M.T. signed by Veronica Curto - Chase		<u>\$4,000.00</u>
	Total of Dishonored Checks		\$39,215.47

12. The other fraudulent device utilized by the Defendants to increase the credit advanced them by the Plaintiff was to represent to the Plaintiff's owner, Muhammed Sarfaraz that they owned a valuable piece of real estate, specifically a home located on Hillside Ave., Succasunna with sufficient equity in it which they had up for sale and that when the house sold they would be pay down the debt they owed Kingtown.

13. Specifically Mrs. Curto told Mr. Sarfaraz that she estimated the Curtos had \$200,000 in equity in the home and that when the house closed Kingtown would be paid a "big chunk to bring the account current".

14. As to Mr. Curto when Mr. Sarfaraz was complaining to him about not getting paid Mr. Curto gained time by representing to Mr. Sarfaraz on May 9, 2019 that the Curtos were supposedly getting two offers on the home that night.

15. On July 10, 2019 Mrs. Curto represented to Mr. Sarfaraz that the house was

potentially under contract.

16. On August 5, 2019 Mrs. Curto represented that the house closed that day and the Curtos were to receive the wire the next day.

17. According to a deed dated August 1, 2019 recorded in the Office of the Morris County Clerk the Curtos sold the Succasunna property on that day for \$516,000.00.

18. Upon information and belief, based upon a statement made by Mrs. Curto to Mr. Sarfaraz the Curtos received approximately \$150,000 in proceeds from the sale of the home.

19. Despite the \$150,000 in proceeds when the house closed however the Curtos did not pay Kingtown a big chunk of money to bring the account current.

20. Instead of paying a big chunk of money to bring the account current after the house closed the Defendants started paying Kingtown \$2,000.00 per week in weekly payments which they kept up for seven weeks during the period August 9, 2019 to September 23, 2019 and then four \$500.00 payments from November 1, 2019 to December 14, 2019 for a total combined of \$16,000.00.

21. Plaintiff had justifiably relied upon the checks issued to Kingtown by the Defendants being good and the statements of the Defendants that the Kingtown debt would be paid down when the house sold and particularly on the statement of Mrs. Curto that Kingtown would be paid a big chunk of money to make it current when the house sold in allowing the Defendant credit such that the Defendants' debt to Kingtown went up to \$170,539.41 by July 25, 2019.

22. Upon information and belief the Defendants knew the checks the issued Kingtown were bad when they issued them.

23. Upon information and belief the Defendants knew they did not intend to pay

down the debt to Kingtown to make it current when the Succasunna home sold.

24. The result of the foregoing is that after the last payment the Defendants made to Kingtown the balance owed Kingtown was \$154,539.41. The fraudulent actions of the Defendants caused Kingtown to increase the credit it had out to the Plaintiff from \$79,746.22 on December 31, 2018 to \$170,539.41 on July 25, 2019 a total of \$90,793.19. After applying the \$16,000.00 the Defendants paid to Kingtown after the sale of the home the amount Kingtown had lost as a result of extending additional credit to the Defendants subsequent to December 31, 2018 because of the Defendants' fraudulent acts was \$74,793.19.

WHEREFORE, Plaintiff demands judgment against the Defendants determining that \$74,793.15 of the debt owed the Plaintiff by the Defendants is not dischargeable in the Defendants' bankruptcy case.

Date: June 8, 2020

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